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June 30, 2014

Received & Inspected
JUL 01 2014
FCC Mail Room

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, DC 20554

Re: *In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing a Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208*

Dear Ms. Dortch:

On behalf of Venture Communications Cooperative ("Venture"), please find enclosed one copy of FCC Form 481, containing Confidential Financial Information and two copies of Venture's FCC Form 481 in redacted form.

Venture is also submitting, under separate cover, the confidential five-year service quality improvement plan. Redacted copies of the five-year service quality improvement plan are also enclosed.

Please do not hesitate to contact me at (605) 224-7889 if you have any questions regarding this submission.

Respectfully submitted,

Darla Pollman Rogers

Attorney at Law

Venture Communications Cooperative

Robert C. Riter, Jr
Margo D. Northrup

Darla Pollman Rogers
Lindsey Riter-Rapp
Robert D. Hofer, Of Counsel

Jerry L. Wattier
Thomas Hart, Associate

No. of Copies rec'd 0 + 1
List ABCDE

FCC Form 481 - Carrier Annual Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-9986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	391680	Received & Inspected
<015> Study Area Name	VENTURE COMM. COOP	JUL 01 2014
<020> Program Year	2015	FCC Mail Room
<030> Contact Name: Person USAC should contact with questions about this data	Janelle Jessen	
<035> Contact Telephone Number: Number of the person identified in data line <030>	605852224 ext.	
<039> Contact Email Address: Email of the person identified in data line <030>	janellej@venture.coop	

ANNUAL REPORTING FOR ALL CARRIERS	54-313 Completion Required	54-422 Completion Required
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<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<210> <input checked="" type="checkbox"/> -- check box if no outages to report		<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<300> Unfulfilled Service Requests (voice)	0	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<310> Detail on Attempts (voice)	(attach descriptive document)	<input type="checkbox"/> <input checked="" type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)	0	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<330> Detail on Attempts (broadband)	(attach descriptive document)	<input type="checkbox"/> <input checked="" type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<410> Fixed	1.0	
<420> Mobile	0.0	
<430> Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<440> Fixed	1.0	
<450> Mobile	0.0	
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<510> Line 510-FCC Form 481 - Venture.pdf	(attached descriptive document)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<610> Line 610-FCC Form 481 - Venture.pdf	(attached descriptive document)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<900> Tribal Land Offerings (Y/N)?	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<1000> Voice Services Rate Comparability	(check to indicate certification)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<1010>	(attach descriptive document)	<input type="checkbox"/> <input checked="" type="checkbox"/>
<1100> Terrestrial Backhaul (Y/N)?	(if not, check to indicate certification)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<1110>	(complete attached worksheet)	<input type="checkbox"/> <input checked="" type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

<2000> Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers	(check to indicate certification)	<input type="checkbox"/> <input checked="" type="checkbox"/>
<2005>	(complete attached worksheet)	<input type="checkbox"/> <input checked="" type="checkbox"/>

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>	(check to indicate certification)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>

(100) Service Quality Improvement Reporting
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code	391680
<015> Study Area Name	VENTURE COMM. COOP
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Janelle Jessen
<035> Contact Telephone Number - Number of person identified in data line <030>	6058522224 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	janellej@venture.coop
<110> Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
If your answer to Line <110> is yes, do you have an existing §54.202(a) "5	
<111> year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

5-Yr Plan 2014 - Venture.pdf

Name of Attached Document

Please check these boxes below to confirm that the attached documents(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets
- <114> Report how much universal service (USF) support was received
- <115> How (USF) was used to improve service quality
- <116> How (USF) was used to improve service coverage
- <117> How (USF) was used to improve service capacity
- <118> Provide an explanation of network improvement targets not met in the prior calendar year.

<010>	Study Area Code	391680
<015>	Study Area Name	VENTURE COMM. COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Janelle Jensen
<035>	Contact Telephone Number - Number of person identified in data line <030>	6058522224 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	janellej@venture.coop

[illegible]

<010>	Study Area Code	391680
<015>	Study Area Name	VENTURE COMM. COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Janelle Jensen
<035>	Contact Telephone Number - Number of person identified in data line <030>	6058522224 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	janelle@venture.coop

[illegible]

<010>	Study Area Code	391680
<015>	Study Area Name	VENTURE COMM. COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Janelle Jensen
<035>	Contact Telephone Number - Number of person identified in data line <030>	6059522224 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	janellej@venture.coop

[illegible]

800 Operating Companies
Data Collection Form
PAC Form 491
OMB control No. 3040-988/OMB control No. 3050-0419
July 2013

<010>	Study Area Code	391680
<015>	Study Area Name	VENTURE COMM. COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Janelle Jessen
<035>	Contact Telephone Number - Number of person identified in data line <030>	6058522224 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	janellej@venture.coop
<810>	Reporting Carrier	Venture Communications Cooperative
<811>	Holding Company	Venture Communications Cooperative
<812>	Operating Company	Venture Communications Cooperative

[illegible]

(900) Tribal Lands Reporting
Data Collection Form

FCC Form 48

OMB Control No. 3060-0586 / OMB Control No. 3060-0519

July 2015

<010> Study Area Code 391680
 <015> Study Area Name VENTURE COMM. COOP
 <020> Program Year 2015
 <030> Contact Name - Person USAC should contact regarding this data Janelle Jessen
 <035> Contact Telephone Number - Number of person identified in data line <030> 605852224 ext.
 <039> Contact Email Address - Email Address of person identified in data line <030> janellej@venture.coop

<910> Tribal Land(s) on which ETC Serves

Sisseton Wahpeton Oyate ("SWO") Tribe
 Crow Creek Sioux Tribe


<920> Tribal Government Engagement Obligation

Tribal engagement.pdf

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
 <922> Feasibility and sustainability planning;
 <923> Marketing services in a culturally sensitive manner;
 <924> Compliance with Rights of way processes
 <925> Compliance with Land Use permitting requirements
 <926> Compliance with Facilities Siting rules
 <927> Compliance with Environmental Review processes
 <928> Compliance with Cultural Preservation review processes
 <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes, No, NA)
Yes

Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes

(4100) No Terrestrial Backhaul Reporting
Data Collection Form

FCC Form 484

OMB Control No. 3060-0985/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	391600
<015>	Study Area Name	VENTURE COMM. COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Janelle Jessen
<035>	Contact Telephone Number - Number of person identified in data line <030>	6058522224 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	janellej@venture.coop

<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G) ☐

<1130> Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G) ☐

(1200) Terms and Conditions for Lifeline Customers		ETC Form 481
Lifeline		OMB Control No. 3060-0986/OMB Control No. 3060-0819
Data Collection Form		July 2013

<010>	Study Area Code	391680
<015>	Study Area Name	VENTURE COMM. COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Janelle Jessen
<035>	Contact Telephone Number - Number of person identified in data line <030>	6058522224 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	janellej@venture.coop

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Venture Lifeline Plans 2014.pdf

Name of Attached Document

<1220> Link to Public Website

HTTP

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒
- <1222> Details on the number of minutes provided as part of the plan, ☒
- <1223> Additional charges for toll calls, and rates for each such plan. ☒

(2000) Price Cap Carrier Additional Documentation	Form 41
Data Collection Form	OMB Control No. 3060-0085/OMB Control No. 3060-0819
Including Price Cap Carrier or Affiliated With Price Cap Local Exchange Carriers	July 2015

<010> Study Area Code	391680
<015> Study Area Name	VENTURE COMM. COOP
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Janelle Jessen
<035> Contact Telephone Number - Number of person identified in data line <030>	6058522224 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	janellejeventure.coop

CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting		
<2010>	2nd Year Certification (47 CFR § 54.313(b)(1))	<input type="checkbox"/>
<2011>	3rd Year Certification (47 CFR § 54.313(b)(2))	<input type="checkbox"/>
Price Cap Carrier Receiving Frozen Support Certification (47 CFR § 54.312(a))		
<2012>	2013 Frozen Support Certification	<input type="checkbox"/>
<2013>	2014 Frozen Support Certification	<input type="checkbox"/>
<2014>	2015 Frozen Support Certification	<input type="checkbox"/>
<2015>	2016 and future Frozen Support Certification	<input type="checkbox"/>
Price Cap Carrier Connect America ICC Support (47 CFR § 54.313(d))		
<2016>	Certification Support Used to Build Broadband	<input type="checkbox"/>
Connect America Phase II Reporting (47 CFR § 54.313(e))		
<2017>	3rd year Broadband Service Certification	<input type="checkbox"/>
<2018>	5th year Broadband Service Certification	<input type="checkbox"/>
<2019>	Interim Progress Certification	<input type="checkbox"/>
<2020>	Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.	<input type="checkbox"/>
<2021>	Interim Progress Community Anchor Institutions	

Name of Attached Document Listing Required Information

(3000) Rate of Return Carrier Additional Documentation	Form 479
OMB Control No. 3045-0156 (US-001) No. 47-00-0113	July 2013

<010> Study Area Code 391680
 <015> Study Area Name VENTURE COMM. COOP
 <020> Program Year 2015
 <030> Contact Name - Person USAC should contact regarding this data Janelle Jewson
 <035> Contact Telephone Number - Number of person identified in data line <030> 6088522224 ext.
 <039> Contact Email Address - Email Address of person identified in data line <030> janelle@venture.coop

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

(3010) Progress Report on 5 Year Plan
Milestone Certification (47 CFR § 54.313(f)(1)(i))

Name of Attached Document Listing Required Information

(3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313(f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year. ☐

(3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))

Name of Attached Document Listing Required Information

(3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))

(3014) If yes, does your company file the RUS annual report

(Yes/No)

(Yes/No)

Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

(3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers) ☒

(3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☒

(3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

2013 RUS Form 479 - Venture.pdf

Name of Attached Document Listing Required Information

(3018) If the response is no on line 3014, is your company audited?

(Yes/No)

If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains

(3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications ☐

(3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☐

(3021) Management letter issued by the independent certified public accountant that performed the company's financial audit. ☐

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

(3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers, ☐

(3023) Underlying information subjected to a review by an independent certified public accountant ☐

(3024) Underlying information subjected to an officer certification. ☐

(3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☐

(3026) Attach the worksheet listing required information

Name of Attached Document Listing Required Information

Certification - Reporting Carrier Data Collection Form	FCC Form 487 OMB Control No. 3060-0986/OMB Control No. 3060-0835 July 2013
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<010> Study Area Code	391680
<015> Study Area Name	VENTURE COMM. COOP
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Janelle Jessen
<035> Contact Telephone Number - Number of person identified in data line <030>	6058522224 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	janellej@venture.coop

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier: VENTURE COMM. COOP	
Signature of Authorized Officer: CERTIFIED ONLINE	Date 06/27/2014
Printed name of Authorized Officer: Randy Houdek	
Title or position of Authorized Officer: General Manager/CEO	
Telephone number of Authorized Officer: 6058522224 ext.	
Study Area Code of Reporting Carrier: 391680	Filing Due Date for this form: 07/01/2014
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification Agent/Carrier Data Collection Form	CC Form 481 OMB Control No. 3060-0088/OMB Control No. 3060-0115 July 2013
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<010> Study Area Code	391680
<015> Study Area Name	VENTURE COMM. COOP
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Janelle Jessen
<035> Contact Telephone Number - Number of person identified in data line <030>	605852224 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	janellej@venture.coop

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent: _____	
Name of Reporting Carrier: _____	
Signature of Authorized Officer: _____	Date: _____
Printed name of Authorized Officer: _____	
Title or position of Authorized Officer: _____	
Telephone number of Authorized Officer: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier: _____	
Name of Authorized Agent or Employee of Agent: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Printed name of Authorized Agent or Employee of Agent: _____	
Title or position of Authorized Agent or Employee of Agent: _____	
Telephone number of Authorized Agent or Employee of Agent: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

<010>	Study Area Code	391680
<015>	Study Area Name	VENTURE COMM. COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Janelle Jessen
<035>	Contact Telephone Number - Number of person identified in data line <030>	6058522224 ext.
<039>	Contact Email Address - Email Address of person Identified in data line <030>	janellej@venture.coop

<701>	Residential Local Service Charge Effective Date	1/1/2014
<702>	Single State-wide Residential Local Service Charge	17.0

<703>

[illegible]

<010>	Study Area Code	391600
<015>	Study Area Name	VENTURE COMM. COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Janelle Jessen
<035>	Contact Telephone Number - Number of person identified in data line <030>	6058522224 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	janellej@venture.coop
<810>	Reporting Carrier	Venture Communications Cooperative
<811>	Holding Company	Venture Communications Cooperative
<812>	Operating Company	Venture Communications Cooperative

[illegible]

**CONFIDENTIAL
NOT FOR PUBLIC INSPECTION**

**Five-Year Network Improvement Plan
For Venture Communications Cooperative**

In its *USF/ICC Transformation Order* and subsequent Orders, the Federal Communications Commission ("FCC" or "Commission") requires Eligible Telecommunications Carriers ("ETCs") to submit a five-year build-out plan in a manner consistent with Section 54.202(a)(1)(ii) of the Commission's Rules by July 1, 2014 and to submit annual progress reports thereafter.¹ Section 54.202(a) (1) (ii) states in part that ETCs are to "[s]ubmit a five-year plan that describes with specificity proposed improvements or upgrades to the [ETC's] network throughout its proposed service area. Each [ETC] shall estimate the area and population that will be served as a result of the improvements"²

In its *March 5, 2013 Order*, the FCC specified that for rate-of-return carriers, the five-year plans "should describe the carrier's network improvement plan, which should provide greater visibility into current plans to extend broadband service to unserved locations in rate-of-return service territories."³ Venture Communications Cooperative

¹ See *Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform—Mobility Fund*; WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-61 (rel. Nov. 18, 2011) (*USF/ICC Transformation Order*) at Para. 587; pets. for review denied, Direct Comm. Cedar Valley, et al v. FCC, No. 11-9900, www.ca10.uscourts.gov/opinions/11/11-9900.pdf (10th Cir. May 23, 2014); see also *Connect America Fund et al.*, WC Docket 10-90 et al., Order, DA 12-147 (rel. Feb. 12, 2012) at Para. 5 (amending Section 54.313(a)(1) to clarify this requirement); *Connect America Fund et al.*, WC Docket 10-90 et al., Third Order on Reconsideration, FCC 12-52 (rel. May 14, 2012) at Para. 10 (changing the filing deadline for the annual reports from April 1 to July 1); *Connect America Fund et al.*, WC Docket 10-90 et al., Order, DA 13-332 (rel. Mar. 5, 2013) ("*March 5, 2013 Order*") at Para's. 4, 6-9. Delaying Five Year Plan until July 1, 2014 see WC Docket No. 10-90, Order, DA 13-1115, Para. 8 (released May 16, 2013).

² 47 C.F.R. § 54.202(a) (1) (ii).

³ *March 5, 2013 Order* at Para. 9 citing Section 54.202(a) (1) (ii).

CONFIDENTIAL
NOT FOR PUBLIC INSPECTION

Five-Year Plan ([SACst112])
 Page 2

("Venture" or the "Company") is a rate-of-return carrier ETC and hereby submits its five-year network improvement plan.

I. The Challenges Faced by the Company in Providing Voice and Broadband to its Rural Service Area

A. Description of the Company and its Service Area

Venture Communications Cooperative provides telephone service to 11,850 access lines and also provides high-speed internet service and IP video service to [REDACTED] customers. By the end of 2014, Venture plans to have fiber-to-the-home service installed in all of our rural, out-of-town areas. Venture's service territory covers over 6,700 square miles with an overall customer density of [REDACTED] access lines per square mile. Venture serves a total of 27 separate exchanges in the northeast and central regions of South Dakota. The cost of upgrading Venture's network to the broadband needs of its subscribers has been substantial. Without consistent and predictable revenue streams, the decisions needed to continue upgrading Venture's services so they continue to meet our subscriber needs become more difficult to make.

B. The Exchanges Contained Within the Company's Study Area

Venture Communications Cooperative serves the combined exchange area(s) of:

Blunt, SD	Rosholt, SD
Bowdle, SD	Roslyn, SD
Britton, SD	Selby, SD
East Onida, SD	Seneca, SD
Gettysburg, SD	Sisseton, SD
Harrold, SD	Tolstoy, SD
Highmore, SD	Tulare, SD
Hitchcock, SD	Wessington, SD
Hoven, SD	Wessington Springs, SD
Langford, SD	West Onida, SD
Lebanon, SD	
North Britton, ND	
Onaka, SD	
Onida, SD	
Pierpont, SD	
Ree Heights, SD	
Roscoe, SD	

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II. The Company Has Used and Will Use Universal Service Support Only For the Intended Purposes

Section 254(e) of the Communications Act of 1934, as amended requires ETCs to use Universal Service support ("USF") "only for the provision, maintenance, and upgrading of facilities and services for which the support is intended."⁴ Pursuant to Section 54.314 of the FCC's rules, in order for state-designated ETCs to receive USF for the coming year, states must annually file certifications by October 1 stating that all federal high-cost support provided to such carriers within the state "was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended."⁵ ETCs not designated by a state must file similar certifications with the FCC.⁶

In its *USF/ICC Transformation Order*, the FCC clarified that prior to making the Section 254(e) certifications, states should conduct a "rigorous examination of the factual information" contained in the annual Section 54.313 reports, of which the five year network improvement plan and annual progress reports are a part, in determining whether they can certify that carriers' support has been used and will be used only for the purpose for which the support was intended.⁷ The FCC said that it would also use the reports to verify certifications filed by ETCs that are not state-designated.⁸ In this context, the

⁴ 47 U.S.C. § 254(e).

⁵ 47 C.F.R. § 54.314(a).

⁶ 47 C.F.R. § 54.314(b).

⁷ See *USF/ICC Transformation Order* at Para. 612.

⁸ *Id.*

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Commission stated, “[i]n light of the public interest obligations we adopt in this Order, a key component of this [Section 254(e)] certification will now be that support is being used to maintain and extend modern networks capable of providing voice and broadband service.”⁹

Essentially, under the existing rules and processes, the federal USF received by the Company and other incumbent rural telephone companies are, in fact, an integral part of the recovery of expenditures of rural incumbent local exchange carriers incurred in the provision, maintenance and upgrading of their provision of facilities and services for which the USF is intended. Venture depends upon its receipt and utilization of federal universal service support to provide rural telephone customers with affordable and quality voice and broadband services.

Accordingly, given the critical role the network improvement plan and the progress reports will have in the annual Section 254(e) certification process, Venture Communications Cooperative’s plan and progress reports will demonstrate not only how Venture has used and will use USF not only for improvements and upgrades, but also for the provision and maintenance of the facilities and services to which the support was intended.

III. The Company’s Five-Year Network Improvement Plan

When the Commission adopted its five-year plan requirements for FCC-designated ETCs in its *2005 ETC Order*, it set forth the following criteria as to how the

⁹ *Id.* (emphasis supplied).

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ETC is to describe with "specificity" the proposed improvements or upgrades to the ETC's network throughout its service area:

(1) how signal quality, coverage, or capacity will improve due to the receipt of high-cost support throughout the area for which the ETC seeks designation; (2) the projected start date and completion date for each improvement and the estimated amount of investment for each project that is funded by high-cost support; (3) the specific geographic areas where the improvements will be made; and (4) the estimated population that will be served as a result of the improvements.¹⁰

In that order, the FCC clarified that service quality improvements in the five-year plan "do not necessarily require additional construction of network facilities."¹¹ Accordingly, the improvements listed in the plan may be projects related to the expansion of the network (one or multiple services), projects related to updating technology to accommodate new services or higher bandwidth or maintenance projects, such as to reduce trouble reports or replace outdated equipment. Additionally, in some cases, the projects may be ones that improve or upgrade the entire network rather than discrete areas within a study area or they may be ones that are ongoing projects that have no specific start and completion dates.

The instructions to the Form 481 state "[r]ecipients may describe where improvements are expected to occur by wire center or census block, as appropriate. To the extent no improvements are planned in specific areas, the five-year plan should so indicate."¹² The instructions also require that in subsequent years, ETCs must file a

¹⁰ *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, FCC 05-46 (rel. Mar. 17, 2005) ("2005 ETC Order").

¹¹ *Id.*

¹² Instructions for Completing FCC Form 481, OMB Control No. 3060-0986 (High-Cost), OMB Control No. 3060-0819 (Low-Income), March 2014, Line 112

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progress report on the five-year plan, pursuant to 47 C.F.R. §54.313(a)(1), including maps explaining progress towards meeting the deployment targets, the amount of universal service support received, how support was used to improve service quality, coverage, or capacity, and an explanation regarding any network improvement targets that have not been fulfilled in the prior calendar year. The information regarding the total amount of universal service support received must also be broken out separately by the amount spent on capital expenses and the amount spent on operating expenses.¹³ Accordingly, the Company's five-year plan separately provides both capital expenditures and operating expenses.

A. The Company's Major Network Improvement Projects

Based upon this framework, Appendix A reflects Venture Communications Cooperative's major network improvement projects for the year 2015 through calendar year 2019¹⁴ along with the start and completion dates, capital costs, areas and population associated with those projects.

At this time, there are no major network improvement plans in the following exchanges: Bowdle, SD; East Onida, SD; Highmore, SD; Lebanon, SD; North Britton, ND; Onida, SD; Roscoe, SD; Roslyn, SD; Wessington Springs, SD; and West Onida, SD. These exchanges have all been recently rebuilt using a fiber-to-the-home technology and no further construction plans are currently in place.

¹³ Instructions for Completing FCC Form 481, OMB Control No. 3060-0986 (High-Cost), OMB Control No. 3060-0819 (Low-Income), March 2014, Line 112

¹⁴ Although the FCC has not specified what it considers to be "year one" of the five year plan, the Company believes that it is the FCC's intent for the calendar year 2015 to be considered "year one" due to the fact that the first progress report on the plan is due July 1, 2015 and all of the other reporting requirements contained in Section 54.313 are based on the calendar year.

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B. How These Projects Will Improve the Network

The projects listed in Appendix A all relate to fiber-to-the-home projects that will be completed in the town areas of the listed exchanges. These projects will update technology to allow for potential new services in the future and will also provide higher bandwidth so subscribers can take advantage of higher internet speeds. In addition, maintenance needs in each of these communities should decrease with the new and improved fiber service to be supplied to each residence and business in the listed exchanges. Each project will provide improved voice and broadband service for the individual exchange listed. Expected start and completion dates are listed on Appendix A.

C. Estimated Capital Expenditures and Operating Expenses

The first table in Appendix B included herein specifies the Capital Expenditures (projects) in Appendix A, by Part 32 account, along with the respective year in which the expenditures are expected to occur. In the second table of Appendix B, the projected operating expenses are provided, including depreciation expense for both embedded plant investment and for Capital Expenditures, which begins when the Capital Expenditures are projected to be placed into service.

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Study Area Code	391680
Study Area Name	Venture Communications Cooperative
Company Contact Name	Janelle Jessen
Contact Telephone Number	605-852-2724
Contact Email Address	janellej@venture.coop

PART A - PROJECT LIST FOR 2015-2019

Project	Start Date	Completion	Areas	Population(1)	Total Dollars
Britton Town - Fiber to the Home	9/1/2014	7/31/2015	Britton, SD Town	666	
Gettysburg Town - Fiber to the Home	9/1/2014	7/31/2015	Gettysburg, SD Town	548	
Selby Town - Fiber to the Home	9/1/2014	7/31/2015	Selby, SD Town	379	
Sisseton Town - Fiber to the Home	9/1/2014	7/31/2015	Sisseton, SD Town	938	
Rosholt Town - Fiber to the Home	5/1/2016	11/30/2016	Rosholt, SD Town	212	
Langford Town - Fiber to the Home	5/1/2016	11/30/2016	Langford, SD Town	155	
Pierpont Town - Fiber to the Home	5/1/2016	11/30/2016	Pierpont, SD Town	53	
Blunt Town - Fiber to the Home	5/1/2017	11/30/2017	Blunt, SD Town	145	
Hoven Town - Fiber to the Home	5/1/2017	11/30/2017	Hoven, SD Town	222	
Harrold Town - Fiber to the Home	5/1/2017	11/30/2017	Harrold, SD Town	69	
Wessington Town - Fiber to the Home	5/1/2018	11/30/2018	Wessington, SD Town	110	
Hitchcock Town - Fiber to the Home	5/1/2018	11/30/2018	Hitchcock, SD Town	57	
Tulare Town - Fiber to the Home	5/1/2018	11/30/2018	Tulare, SD Town	108	
Seneca Town - Fiber to the Home	5/1/2019	11/30/2019	Seneca, SD Town	14	
Tolstoy Town - Fiber to the Home	5/1/2019	11/30/2019	Tolstoy, SD Town	35	
Onaka Town - Fiber to the Home	5/1/2019	11/30/2019	Onaka, SD Town	10	
Ree Heights Town - Fiber to the Home	5/1/2019	11/30/2019	Ree Heights, SD Town	35	
Totals					\$

REDACTED - FOR PUBLIC INSPECTION

Study Area Code 391680
 Study Area Name Venture Communications Cooperative
 Company Contact Name Janelle Jessen
 Contact Telephone Number 605-852-2224
 Contact Email Address janellej@venture.coop

Part B: 5-Year Proposed Capital Expenditures and Operating Expenses

Regulated Capital Expenditure (CapEX) Projections								
Account	Description	2014	2015	2016	2017	2018	2019	Total Projected CapEx 2015-2019
2111 & 2121	Land & Building	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2112	Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2122-2124	Support Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2210	Switching Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2232	Circuit Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2410	Cable & Wire Facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220	Materials & Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Regulated Operating Expenditure (OpEx) Projections								
Account	Operating Expenses	2014	2015	2016	2017	2018	2019	Total Operating Expenses 2015-2019
6110-6120	General Support Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6210	Switching Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6230	COE Transmission Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6410	Cable & Wire Facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6530	Non-Specific (Testing, Plant Op., Engineering)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6561-2110	General Support Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6561-2210	Switching Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6561-2230	Circuit Equip Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6561-2410	Cable & Wire Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6610-6620	Customer Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6711-6720	Corporate Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7240	Ad Valorem Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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**Processes and Procedures to Ensure Compliance with Service Quality Standards
and Consumer Protection Rules
Per FCC Form 481 Instructions**

This document details the processes and procedures that Venture Communications Cooperative (the "Company") follows to ensure compliance with service quality standards and consumer protection rules as laid out in FCC Form 481 Instructions.

The company provides voice grade access to the public switched telephone network (PSTN) at a flat rate, enabling access to emergency services provided by local government or other public safety organizations such as 911.

For service quality standards that are affected by plant issues, the Company engineers and installs its plant and other facilities in such a way as to ensure safe, adequate and continuous service at all times.

In addition, employees are periodically trained on service quality standards and consumer protection issues. In particular, if any set of issues appear to be prevalent, employees are given briefings on how to handle such issues beyond the normal guidelines in place for resolution of customer complaints. A recent example is the call completion problems that have arisen and the customer calls that are generated as a result. Although this is not a service quality problem caused by the Company, it does affect customers of the Company and, therefore, deserves the attention of the Company employees.

The Company also periodically reviews its operating procedures to be sure that those operating procedures are in compliance with service quality standards and that the operating procedures are not in violation of consumer protection rules. Internally a compliance officer ensures annual employee training and dictates disciplinary process for improper use of consumer information. If concerns arise beyond the compliance officer legal counsel is sought to assist with a resolution.

If complaints are filed with the Company related to service quality standards or consumer protection rules, the complaint is immediately investigated, the matter tracked and any corrective action noted. This process ensures that problems are addressed and corrections made. It should be noted that the Company has received no customer complaints in the past five years regarding service quality standards or consumer protection rules as they relate to the service offered by the Company.

The Company advertises the availability of its services and the charges using media of general distribution and on its website.

STATEMENT DEMONSTRATING FUNCTIONALITY IN EMERGENCY SITUATIONS.

At line 600 of FCC Form 481, Venture Communications Cooperative certified that it is able to function in emergency situations as set forth in 47 C.F.R § 54.202(a)(1)(ii). This means that Venture Communications Cooperative has reasonable amount of back-up power to ensure functionality without an external source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations. This statement will detail how Venture Communications Cooperative is prepared to ensure continued service in an emergency situation.

Back-Up Power

Venture Communications Cooperative has a back-up generator available with a minimum of a four hour power supply for its central office. In addition, it has portable generators available for remote sites.

Rerouting of Traffic around Damaged Facilities

Venture Communications Cooperative has route redundancy for long distance service, E-911 trunking and SS7 signaling trunking.

In the case of isolated groups of customers that may suffer damage due to a cable cut, Venture Communications Cooperative maintains sufficient staff and other resources to be able to put customers back in service in a very short amount of time. Venture Communications Cooperative emergency service equipment is located within its exchange and requires very little time to dispatch.

Traffic Spikes

Venture Communications Cooperative outside plant is designed, engineered and built with sufficient capacity to handle traffic spikes resulting from emergency situations and has been able to do so in the past. Venture Communications Cooperative is in an area where severe weather strikes periodically and has been able to handle communication needs at those times and has the experience from those situations to be able handle such emergency situations in the future.

Venture Telecommunications Cooperative

Description of Tribal Engagement

For Form 481 Line 920 thru Line 929

The Company provides services in two tribal areas, Sisseton Wahpeton Oyate ("SWO") Tribe and Crow Creek Sioux Tribe. On October 30, 2013, by letter sent via certified mail to the Tribal Chairman, Company requested a meeting with the Crow Creek Sioux Tribe to exchange information and discuss issues related to the deployment and provisioning of communications services on Tribal lands. The Crow Creek Tribal Chairman has not yet responded to the request to schedule an "engagement" meeting.

With regard to the SWO Tribe, the Company exchanged numerous letters, email messages, and telephone calls with the office of the Tribal Chair, Robert Shepherd, and also with other offices of tribal government, throughout 2013. During these communications, the Company and SWO engaged in discussions that covered all of the topics included in the "Tribal Engagement" provisions. On July 16, 2013, Company had a face-to-face meeting with Tribal Chairman Shepherd and other environmental, easement, and taxation representatives of the SWO Tribe to resolve any outstanding issues between Company and SWO Tribe. On October 30, 2013, by letter sent via certified mail to the Tribal Chairman, Company offered to schedule another meeting with the SWO Tribe to engage in further discussions, if Tribal Chairman Shepherd believed another meeting was necessary. The Company did not receive a response to the letter.

Venture Telecommunications Cooperative

Description of Lifeline Terms and Conditions

For Form 481 Line 1220 thru 1223

Venture Communications offers Lifeline service to each of its customers. Venture customers who submit a completed application as well as supporting documentation to verify that the customer is eligible for a Lifeline discount are subscribed to a Lifeline discount of \$9.25 per month. If a customer disconnects service for any reason, they must reapply as a new Lifeline subscriber when service is reconnected. There are no limits on the number of minutes included in the Lifeline plan. Lifeline subscribers may choose to have no toll service at no additional charge. If the Lifeline subscriber chooses to subscribe to toll service, the customer is charged a per call rate and/or a monthly fee depending on which toll plan the customer subscribes to and which toll carrier the customer chooses to provide long distance service.

Venture Communications also offers Tribal Lifeline and Linkup service to customers who reside on tribal lands. Tribal customers who submit a completed application as well as supporting documentation to verify that the customer is eligible for a Lifeline discount are subscribed to a varying Lifeline discount, depending on the area's local service rate, so that the customer charge for basic local telephone service is \$1.00 per month. Under the Tribal Linkup program, the phone installation charges for a new customer residing on tribal lands, up to \$100, are credited back to the customer when the customer installs new service. If a customer disconnects service for any reason, they must reapply as a new Lifeline subscriber when service is reconnected. There are no limits on the number of minutes included in the Lifeline plan. Lifeline subscribers may choose to have no toll service at no additional charge. If the Lifeline subscriber chooses to subscribe to toll service, the customer is charged a per call rate and/or a monthly fee depending on which toll plan the customer subscribes to and which toll carrier the customer chooses to provide long distance service.

REDACTED - FOR PUBLIC INSPECTION

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		<i>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 981 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.</i> BORROWER NAME Venture Communications Cooperative			
INSTRUCTIONS- Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.		PERIOD ENDING December, 2013	BORROWER DESIGNATION [REDACTED]		
CERTIFICATION We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief. ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES. DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII (Check one of the following)					
<input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects.					
<input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report					
randy houdek		3/28/2014 DATE			
PART A. BALANCE SHEET					
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents	[REDACTED]	[REDACTED]	25. Accounts Payable	[REDACTED]	[REDACTED]
2. Cash-RUS Construction Fund	[REDACTED]	[REDACTED]	26. Notes Payable	[REDACTED]	[REDACTED]
3. Affiliates:			27. Advance Billings and Payments	[REDACTED]	[REDACTED]
a. Telecom, Accounts Receivable	[REDACTED]	[REDACTED]	28. Customer Deposits	[REDACTED]	[REDACTED]
b. Other Accounts Receivable	[REDACTED]	[REDACTED]	29. Current Mat. L/T Debt	[REDACTED]	[REDACTED]
c. Notes Receivable	[REDACTED]	[REDACTED]	30. Current Mat. L/T Debt-Rur. Dev.	[REDACTED]	[REDACTED]
4. Non-Affiliates:			31. Current Mat.-Capital Leases	[REDACTED]	[REDACTED]
a. Telecom, Accounts Receivable	[REDACTED]	[REDACTED]	32. Income Taxes Accrued	[REDACTED]	[REDACTED]
b. Other Accounts Receivable	[REDACTED]	[REDACTED]	33. Other Taxes Accrued	[REDACTED]	[REDACTED]
c. Notes Receivable	[REDACTED]	[REDACTED]	34. Other Current Liabilities	[REDACTED]	[REDACTED]
5. Interest and Dividends Receivable	[REDACTED]	[REDACTED]	35. Total Current Liabilities (25 thru 34)	[REDACTED]	[REDACTED]
6. Material-Regulated	[REDACTED]	[REDACTED]	LONG-TERM DEBT		
7. Material-Nonregulated	[REDACTED]	[REDACTED]	36. Funded Debt-RUS Notes	[REDACTED]	[REDACTED]
8. Prepayments	[REDACTED]	[REDACTED]	37. Funded Debt-RTB Notes	[REDACTED]	[REDACTED]
9. Other Current Assets	[REDACTED]	[REDACTED]	38. Funded Debt-FFB Notes	[REDACTED]	[REDACTED]
10. Total Current Assets (1 Thru 9)	[REDACTED]	[REDACTED]	39. Funded Debt-Other	[REDACTED]	[REDACTED]
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan	[REDACTED]	[REDACTED]
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt	[REDACTED]	[REDACTED]
a. Rural Development	[REDACTED]	[REDACTED]	42. Reacquired Debt	[REDACTED]	[REDACTED]
b. Nonrural Development	[REDACTED]	[REDACTED]	43. Obligations Under Capital Lease	[REDACTED]	[REDACTED]
12. Other Investments			44. Adv. From Affiliated Companies	[REDACTED]	[REDACTED]
a. Rural Development	[REDACTED]	[REDACTED]	45. Other Long-Term Debt	[REDACTED]	[REDACTED]
b. Nonrural Development	[REDACTED]	[REDACTED]	46. Total Long-Term Debt (36 thru 45)	[REDACTED]	[REDACTED]
13. Nonregulated Investments	[REDACTED]	[REDACTED]	OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets	[REDACTED]	[REDACTED]	47. Other Long-Term Liabilities	[REDACTED]	[REDACTED]
15. Deferred Charges	[REDACTED]	[REDACTED]	48. Other Deferred Credits	[REDACTED]	[REDACTED]
16. Jurisdictional Differences	[REDACTED]	[REDACTED]	49. Other Jurisdictional Differences	[REDACTED]	[REDACTED]
17. Total Noncurrent Assets (11 thru 16)	[REDACTED]	[REDACTED]	50. Total Other Liabilities and Deferred Credits (47 thru 49)	[REDACTED]	[REDACTED]
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18. Telecom, Plant-in-Service	[REDACTED]	[REDACTED]	51. Cap. Stock Outstand. & Subscribed	[REDACTED]	[REDACTED]
19. Property Held for Future Use	[REDACTED]	[REDACTED]	52. Additional Paid-In-Capital	[REDACTED]	[REDACTED]
20. Plant Under Construction	[REDACTED]	[REDACTED]	53. Treasury Stock	[REDACTED]	[REDACTED]
21. Plant Adj., Nonop. Plant & Goodwill	[REDACTED]	[REDACTED]	54. Membership and Cap. Certificates	[REDACTED]	[REDACTED]
22. Less Accumulated Depreciation	[REDACTED]	[REDACTED]	55. Other Capital	[REDACTED]	[REDACTED]
23. Net Plant (18 thru 21 less 22)	[REDACTED]	[REDACTED]	56. Patronage Capital Credits	[REDACTED]	[REDACTED]
24. TOTAL ASSETS (10+17+23)	[REDACTED]	[REDACTED]	57. Retained Earnings or Margins	[REDACTED]	[REDACTED]
			58. Total Equity (51 thru 57)	[REDACTED]	[REDACTED]
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	[REDACTED]	[REDACTED]

Total Equity = 58.55% % of Total Assets

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		BORROWER DESIGNATION [REDACTED]
INSTRUCTIONS- See RUS Bulletin 1744-2		PERIOD ENDING December, 2013
PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS		
ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues	[REDACTED]	[REDACTED]
2. Network Access Services Revenues	[REDACTED]	[REDACTED]
3. Long Distance Network Services Revenues	[REDACTED]	[REDACTED]
4. Carrier Billing and Collection Revenues	[REDACTED]	[REDACTED]
5. Miscellaneous Revenues	[REDACTED]	[REDACTED]
6. Uncollectible Revenues	[REDACTED]	[REDACTED]
7. Net Operating Revenues (1 thru 5 less 6)	[REDACTED]	[REDACTED]
8. Plant Specific Operations Expense	[REDACTED]	[REDACTED]
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	[REDACTED]	[REDACTED]
10. Depreciation Expense	[REDACTED]	[REDACTED]
11. Amortization Expense	[REDACTED]	[REDACTED]
12. Customer Operations Expense	[REDACTED]	[REDACTED]
13. Corporate Operations Expense	[REDACTED]	[REDACTED]
14. Total Operating Expenses (8 thru 13)	[REDACTED]	[REDACTED]
15. Operating Income or Margins (7 less 14)	[REDACTED]	[REDACTED]
16. Other Operating Income and Expenses	[REDACTED]	[REDACTED]
17. State and Local Taxes	[REDACTED]	[REDACTED]
18. Federal Income Taxes	[REDACTED]	[REDACTED]
19. Other Taxes	[REDACTED]	[REDACTED]
20. Total Operating Taxes (17+18+19)	[REDACTED]	[REDACTED]
21. Net Operating Income or Margins (15+16-20)	[REDACTED]	[REDACTED]
22. Interest on Funded Debt	[REDACTED]	[REDACTED]
23. Interest Expense - Capital Leases	[REDACTED]	[REDACTED]
24. Other Interest Expense	[REDACTED]	[REDACTED]
25. Allowance for Funds Used During Construction	[REDACTED]	[REDACTED]
26. Total Fixed Charges (22+23+24-25)	[REDACTED]	[REDACTED]
27. Nonoperating Net Income	[REDACTED]	[REDACTED]
28. Extraordinary Items	[REDACTED]	[REDACTED]
29. Jurisdictional Differences	[REDACTED]	[REDACTED]
30. Nonregulated Net Income	[REDACTED]	[REDACTED]
31. Total Net Income or Margins (21+27+28+29+30-26)	[REDACTED]	[REDACTED]
32. Total Taxes Based on Income	[REDACTED]	[REDACTED]
33. Retained Earnings or Margins Beginning-of-Year	[REDACTED]	[REDACTED]
34. Miscellaneous Credits Year-to-Date	[REDACTED]	[REDACTED]
35. Dividends Declared (Common)	[REDACTED]	[REDACTED]
36. Dividends Declared (Preferred)	[REDACTED]	[REDACTED]
37. Other Debits Year-to-Date	[REDACTED]	[REDACTED]
38. Transfers to Patronage Capital	[REDACTED]	[REDACTED]
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]	[REDACTED]	[REDACTED]
40. Patronage Capital Beginning-of-Year	[REDACTED]	[REDACTED]
41. Transfers to Patronage Capital	[REDACTED]	[REDACTED]
42. Patronage Capital Credits Retired	[REDACTED]	[REDACTED]
43. Patronage Capital End-of-Year (40+41-42)	[REDACTED]	[REDACTED]
44. Annual Debt Service Payments	[REDACTED]	[REDACTED]
45. Cash Ratio [(14+20-10-11) / 7]	[REDACTED]	[REDACTED]
46. Operating Accrual Ratio [(14+20+26) / 7]	[REDACTED]	[REDACTED]
47. TIER [(31+26) / 26]	[REDACTED]	[REDACTED]
48. DSCR [(31+26+10+11) / 44]	[REDACTED]	[REDACTED]

USDA-RUS						BORROWER DESIGNATION	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS						PERIOD ENDED December, 2013	
INSTRUCTIONS - See RUS Bulletin 1744-2							
Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION							
EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1	R-1	BUSINESS	RESIDENTIAL	TOTAL	TOTAL (including fiber)	FIBER
	(a)	(b)	(a)	(b)	(c)	(a)	(b)
Blunt							
Bowdle							
Britton							
East Onida							
Gettysburg							
Harrold							
Highmore							
Hitchcock							
Hoven							
Langford							
Lebanon							
North Britton							
Onaka							
Onida							
Pierpont							
Ree Heights							
Roscoe							
Rosholt							
Roslyn							
Selby							
Seneca							
Sisseton							
Tolstoy							
Tulare							
Wessington							
Wessington Springs							
West Onida							
MobileWireless							
Route Mileage Outside Exchange Area							
Total							
No. Exchanges	27						

USDA-RUS						BORROWER DESIGNATION	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS						PERIOD ENDED December, 2013	
INSTRUCTIONS - See RUS Bulletin 1744-2							
Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION							
4. BROADBAND SERVICE							
Details on Least Expensive Broadband Service							
EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Type Of Technology (g)
Blunt							Fiber to the Home
Bowdle							Fiber to the Home
Britton							Fiber to the Home
East Onida							Fiber to the Home
Gettysburg							Fiber to the Home
Harrold							Fiber to the Home
Highmore							Fiber to the Home
Hitchcock							Fiber to the Home
Hoven							Fiber to the Home
Langford							Fiber to the Home
Lebanon							Fiber to the Home
North Britton							Fiber to the Home
Onaka							Fiber to the Home
Onida							Fiber to the Home
Pierpont							Fiber to the Home
Ree Heights							Fiber to the Home
Roscoe							Fiber to the Home
Rosholt							Fiber to the Home
Roslyn							Fiber to the Home
Selby							Fiber to the Home
Seneca							Fiber to the Home
Sisseton							DSL
Tolsloy							Fiber to the Home
Tulare							Fiber to the Home
Wessington							Fiber to the Home
Wessington Springs							Fiber to the Home
West Onida							Fiber to the Home
Total							

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS			BORROWER DESIGNATION [REDACTED]		
			PERIOD ENDING December, 2013		
INSTRUCTIONS- See RUS Bulletin 1744-2					
PART D. SYSTEM DATA					
1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile	5. Subscribers per Route Mile	
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
PART E. TOLL DATA					
1. Study Area ID Code(s) a. 391680 b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____		2. Types of Toll Settlements (Check one) Interstate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis Intrastate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis			
PART F. FUNDS INVESTED IN PLANT DURING YEAR					
1. RUS, RTB, & FFB Loan Funds Expended			[REDACTED]		
2. Other Long-Term Loan Funds Expended			[REDACTED]		
3. Funds Expended Under RUS Interim Approval			[REDACTED]		
4. Other Short-Term Loan Funds Expended			[REDACTED]		
5. General Funds Expended (Other than Interim)			[REDACTED]		
6. Salvaged Materials			[REDACTED]		
7. Contribution in Aid to Construction			[REDACTED]		
8. Gross Additions to Telecom. Plant (1 thru 7)			[REDACTED]		
PART G. INVESTMENTS IN AFFILIATED COMPANIES					
INVESTMENTS (a)	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year (b)	Income/Loss This Year (c)	Cumulative Investment To Date (d)	Cumulative Income/Loss To Date (e)	Current Balance (f)
1. Investment in Affiliated Companies - Rural Development	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2. Investment in Affiliated Companies - Nonrural Development	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION [REDACTED] PERIOD ENDING December, 2013
PART H. CURRENT DEPRECIATION RATES	
Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one)	
<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	1
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	1
4. Land and support assets - Garage and other work equipment	1
5. Land and support assets - Buildings	1
6. Land and support assets - Furniture and Office equipment	1
7. Land and support assets - General purpose computers	1
8. Central Office Switching - Digital	1
9. Central Office Switching - Analog & Electro-mechanical	1
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	1
12. Central Office Transmission - Circuit equipment	1
13. Information origination/termination - Station apparatus	1
14. Information origination/termination - Customer premises wiring	1
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	1
18. Cable and wire facilities - Poles	1
19. Cable and wire facilities - Aerial cable - Metal	1
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	
22. Cable and wire facilities - Underground cable - Fiber	
23. Cable and wire facilities - Buried cable - Metal	1
24. Cable and wire facilities - Buried cable - Fiber	1
25. Cable and wire facilities - Conduit systems	1
26. Cable and wire facilities - Other	

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USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		BORROWER DESIGNATION [REDACTED]
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December, 2013
PART I - STATEMENT OF CASH FLOWS		
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		[REDACTED]
CASH FLOWS FROM OPERATING ACTIVITIES		
2. Net Income		[REDACTED]
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
3. Add: Depreciation		[REDACTED]
4. Add: Amortization		[REDACTED]
5. Other (Explain)		
Changes in Operating Assets and Liabilities		
6. Decrease/(Increase) in Accounts Receivable		[REDACTED]
7. Decrease/(Increase) in Materials and Inventory		[REDACTED]
8. Decrease/(Increase) in Prepayments and Deferred Charges		[REDACTED]
9. Decrease/(Increase) in Other Current Assets		[REDACTED]
10. Increase/(Decrease) in Accounts Payable		[REDACTED]
11. Increase/(Decrease) in Advance Billings & Payments		[REDACTED]
12. Increase/(Decrease) in Other Current Liabilities		[REDACTED]
13. Net Cash Provided/(Used) by Operations		[REDACTED]
CASH FLOWS FROM FINANCING ACTIVITIES		
14. Decrease/(Increase) in Notes Receivable		[REDACTED]
15. Increase/(Decrease) in Notes Payable		[REDACTED]
16. Increase/(Decrease) in Customer Deposits		[REDACTED]
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		[REDACTED]
18. Increase/(Decrease) in Other Liabilities & Deferred Credits		[REDACTED]
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		[REDACTED]
20. Less: Payment of Dividends		[REDACTED]
21. Less: Patronage Capital Credits Retired		[REDACTED]
22. Other (Explain) Misc Adjustments		[REDACTED]
23. Net Cash Provided/(Used) by Financing Activities		[REDACTED]
CASH FLOWS FROM INVESTING ACTIVITIES		
24. Net Capital Expenditures (Property, Plant & Equipment)		[REDACTED]
25. Other Long-Term Investments		[REDACTED]
26. Other Noncurrent Assets & Jurisdictional Differences		[REDACTED]
27. Other (Explain) Additional Capital Expenditures not included above		[REDACTED]
28. Net Cash Provided/(Used) by Investing Activities		[REDACTED]
29. Net Increase/(Decrease) in Cash		[REDACTED]
30. Ending Cash		[REDACTED]

Revision Date 2010

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USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION [REDACTED]
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	

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Five-Year Network Improvement Plan
For Venture Communications Cooperative

In its *USF/ICC Transformation Order* and subsequent Orders, the Federal Communications Commission ("FCC" or "Commission") requires Eligible Telecommunications Carriers ("ETCs") to submit a five-year build-out plan in a manner consistent with Section 54.202(a)(1)(ii) of the Commission's Rules by July 1, 2014 and to submit annual progress reports thereafter.¹ Section 54.202(a)(1)(ii) states in part that ETCs are to "[s]ubmit a five-year plan that describes with specificity proposed improvements or upgrades to the [ETC's] network throughout its proposed service area. Each [ETC] shall estimate the area and population that will be served as a result of the improvements"²

In its *March 5, 2013 Order*, the FCC specified that for rate-of-return carriers, the five-year plans "should describe the carrier's network improvement plan, which should provide greater visibility into current plans to extend broadband service to unserved locations in rate-of-return service territories."³ Venture Communications Cooperative

¹ See *Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Inter-carrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform—Mobility Fund*, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-61 (rel. Nov. 18, 2011) (*USF/ICC Transformation Order*) at Para. 587; pets. for review denied, Direct Comm. Cedar Valley, et al v. FCC, No. 11-9900, www.ca10.uscourts.gov/opinions/11/11-9900.pdf (10th Cir. May 23, 2014); see also *Connect America Fund et al.*, WC Docket 10-90 et al., Order, DA 12-147 (rel. Feb. 12, 2012) at Para. 5 (amending Section 54.313(a)(1) to clarify this requirement); *Connect America Fund et al.*, WC Docket 10-90 et al., Third Order on Reconsideration, FCC 12-52 (rel. May 14, 2012) at Para. 10 (changing the filing deadline for the annual reports from April 1 to July 1); *Connect America Fund et al.*, WC Docket 10-90 et al., Order, DA 13-332 (rel. Mar. 5, 2013) ("*March 5, 2013 Order*") at Para's. 4, 6-9. Delaying Five Year Plan until July 1, 2014 see WC Docket No. 10-90, Order, DA 13-1115, Para. 8 (released May 16, 2013).

² 47 C.F.R. § 54.202(a)(1)(ii).

³ *March 5, 2013 Order* at Para. 9 citing Section 54.202(a)(1)(ii).

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Five-Year Plan ([SACst112])
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("Venture" or the "Company") is a rate-of-return carrier ETC and hereby submits its five-year network improvement plan.

I. The Challenges Faced by the Company in Providing Voice and Broadband to its Rural Service Area

A. Description of the Company and its Service Area

Venture Communications Cooperative provides telephone service to 11,850 access lines and also provides high-speed internet service and IP video service to [REDACTED] customers. By the end of 2014, Venture plans to have fiber-to-the-home service installed in all of our rural, out-of-town areas. Venture's service territory covers over 6,700 square miles with an overall customer density of [REDACTED] access lines per square mile. Venture serves a total of 27 separate exchanges in the northeast and central regions of South Dakota. The cost of upgrading Venture's network to the broadband needs of its subscribers has been substantial. Without consistent and predictable revenue streams, the decisions needed to continue upgrading Venture's services so they continue to meet our subscriber needs become more difficult to make.

B. The Exchanges Contained Within the Company's Study Area

Venture Communications Cooperative serves the combined exchange area(s) of:

Blunt, SD	Rosholt, SD
Bowdle, SD	Roslyn, SD
Britton, SD	Selby, SD
East Onida, SD	Seneca, SD
Gettysburg, SD	Sisseton, SD
Harrold, SD	Tolstoy, SD
Highmore, SD	Tulare, SD
Hitchcock, SD	Wessington, SD
Hoven, SD	Wessington Springs, SD
Langford, SD	West Onida, SD
Lebanon, SD	
North Britton, ND	
Onaka, SD	
Onida, SD	
Pierpont, SD	
Ree Heights, SD	
Roscoe, SD	

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Five-Year Plan ([SACst112])
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II. The Company Has Used and Will Use Universal Service Support Only For the Intended Purposes

Section 254(e) of the Communications Act of 1934, as amended requires ETCs to use Universal Service support ("USF") "only for the provision, maintenance, and upgrading of facilities and services for which the support is intended."⁴ Pursuant to Section 54.314 of the FCC's rules, in order for state-designated ETCs to receive USF for the coming year, states must annually file certifications by October 1 stating that all federal high-cost support provided to such carriers within the state "was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended."⁵ ETCs not designated by a state must file similar certifications with the FCC.⁶

In its *USF/ICC Transformation Order*, the FCC clarified that prior to making the Section 254(e) certifications, states should conduct a "rigorous examination of the factual information" contained in the annual Section 54.313 reports, of which the five year network improvement plan and annual progress reports are a part, in determining whether they can certify that carriers' support has been used and will be used only for the purpose for which the support was intended.⁷ The FCC said that it would also use the reports to verify certifications filed by ETCs that are not state-designated.⁸ In this context, the

⁴ 47 U.S.C. § 254(e).

⁵ 47 C.F.R. § 54.314(a).

⁶ 47 C.F.R. § 54.314(b).

⁷ See *USF/ICC Transformation Order* at Para. 612.

⁸ *Id.*

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Commission stated, “[i]n light of the public interest obligations we adopt in this Order, a key component of this [Section 254(e)] certification will now be that support is being used to maintain and extend modern networks capable of providing voice and broadband service.”⁹

Essentially, under the existing rules and processes, the federal USF received by the Company and other incumbent rural telephone companies are, in fact, an integral part of the recovery of expenditures of rural incumbent local exchange carriers incurred in the provision, maintenance and upgrading of their provision of facilities and services for which the USF is intended. Venture depends upon its receipt and utilization of federal universal service support to provide rural telephone customers with affordable and quality voice and broadband services.

Accordingly, given the critical role the network improvement plan and the progress reports will have in the annual Section 254(e) certification process, Venture Communications Cooperative’s plan and progress reports will demonstrate not only how Venture has used and will use USF not only for improvements and upgrades, but also for the provision and maintenance of the facilities and services to which the support was intended.

III. The Company’s Five-Year Network Improvement Plan

When the Commission adopted its five-year plan requirements for FCC-designated ETCs in its *2005 ETC Order*, it set forth the following criteria as to how the

⁹ *Id.* (emphasis supplied).

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Five-Year Plan ([SACst112])
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ETC is to describe with "specificity" the proposed improvements or upgrades to the

ETC's network throughout its service area:

(1) how signal quality, coverage, or capacity will improve due to the receipt of high-cost support throughout the area for which the ETC seeks designation; (2) the projected start date and completion date for each improvement and the estimated amount of investment for each project that is funded by high-cost support; (3) the specific geographic areas where the improvements will be made; and (4) the estimated population that will be served as a result of the improvements.¹⁰

In that order, the FCC clarified that service quality improvements in the five-year plan "do not necessarily require additional construction of network facilities."¹¹ Accordingly, the improvements listed in the plan may be projects related to the expansion of the network (one or multiple services), projects related to updating technology to accommodate new services or higher bandwidth or maintenance projects, such as to reduce trouble reports or replace outdated equipment. Additionally, in some cases, the projects may be ones that improve or upgrade the entire network rather than discrete areas within a study area or they may be ones that are ongoing projects that have no specific start and completion dates.

The instructions to the Form 481 state "[r]ecipients may describe where improvements are expected to occur by wire center or census block, as appropriate. To the extent no improvements are planned in specific areas, the five-year plan should so indicate."¹² The instructions also require that in subsequent years, ETCs must file a

¹⁰ *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, FCC 05-46 (rel. Mar. 17, 2005) ("2005 ETC Order").

¹¹ *Id.*

¹² Instructions for Completing FCC Form 481, OMB Control No. 3060-0986 (High-Cost), OMB Control No. 3060-0819 (Low-Income), March 2014, Line 112

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progress report on the five-year plan, pursuant to 47 C.F.R. §54.313(a)(1), including maps explaining progress towards meeting the deployment targets, the amount of universal service support received, how support was used to improve service quality, coverage, or capacity, and an explanation regarding any network improvement targets that have not been fulfilled in the prior calendar year. The information regarding the total amount of universal service support received must also be broken out separately by the amount spent on capital expenses and the amount spent on operating expenses.¹³ Accordingly, the Company's five-year plan separately provides both capital expenditures and operating expenses.

A. The Company's Major Network Improvement Projects

Based upon this framework, Appendix A reflects Venture Communications Cooperative's major network improvement projects for the year 2015 through calendar year 2019¹⁴ along with the start and completion dates, capital costs, areas and population associated with those projects.

At this time, there are no major network improvement plans in the following exchanges: Bowdle, SD; East Onida, SD; Highmore, SD; Lebanon, SD; North Britton, ND; Onida, SD; Roscoe, SD; Roslyn, SD; Wessington Springs, SD; and West Onida, SD. These exchanges have all been recently rebuilt using a fiber-to-the-home technology and no further construction plans are currently in place.

¹³ Instructions for Completing FCC Form 481, OMB Control No. 3060-0986 (High-Cost), OMB Control No. 3060-0819 (Low-Income), March 2014, Line 112

¹⁴ Although the FCC has not specified what it considers to be "year one" of the five year plan, the Company believes that it is the FCC's intent for the calendar year 2015 to be considered "year one" due to the fact that the first progress report on the plan is due July 1, 2015 and all of the other reporting requirements contained in Section 54.313 are based on the calendar year.

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B. How These Projects Will Improve the Network

The projects listed in Appendix A all relate to fiber-to-the-home projects that will be completed in the town areas of the listed exchanges. These projects will update technology to allow for potential new services in the future and will also provide higher bandwidth so subscribers can take advantage of higher internet speeds. In addition, maintenance needs in each of these communities should decrease with the new and improved fiber service to be supplied to each residence and business in the listed exchanges. Each project will provide improved voice and broadband service for the individual exchange listed. Expected start and completion dates are listed on Appendix A.

C. Estimated Capital Expenditures and Operating Expenses

The first table in Appendix B included herein specifies the Capital Expenditures (projects) in Appendix A, by Part 32 account, along with the respective year in which the expenditures are expected to occur. In the second table of Appendix B, the projected operating expenses are provided, including depreciation expense for both embedded plant investment and for Capital Expenditures, which begins when the Capital Expenditures are projected to be placed into service.

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Study Area Code	391680
Study Area Name	Venture Communications Cooperative
Company Contact Name	Janelle Jessen
Contact Telephone Number	605-852-2224
Contact Email Address	janelle@venture.coop

PART A - PROJECT LIST FOR 2015-2019

Project	Start Date	Completion	Areas	Population(1)	Total Dollars
Britton Town - Fiber to the Home	9/1/2014	7/31/2015	Britton, SD Town	666	████████
Gettysburg Town - Fiber to the Home	9/1/2014	7/31/2015	Gettysburg, SD Town	548	████████
Selby Town - Fiber to the Home	9/1/2014	7/31/2015	Selby, SD Town	379	████████
Sisseton Town - Fiber to the Home	9/1/2014	7/31/2015	Sisseton, SD Town	938	████████
Rosholt Town - Fiber to the Home	5/1/2016	11/30/2016	Rosholt, SD Town	212	████████
Langford Town - Fiber to the Home	5/1/2016	11/30/2016	Langford, SD Town	155	████████
Pierpont Town - Fiber to the Home	5/1/2016	11/30/2016	Pierpont, SD Town	53	████████
Blunt Town - Fiber to the Home	5/1/2017	11/30/2017	Blunt, SD Town	145	████████
Hoven Town - Fiber to the Home	5/1/2017	11/30/2017	Hoven, SD Town	222	████████
Harrold Town - Fiber to the Home	5/1/2017	11/30/2017	Harrold, SD Town	69	████████
Wessington Town - Fiber to the Home	5/1/2018	11/30/2018	Wessington, SD Town	110	████████
Hitchcock Town - Fiber to the Home	5/1/2018	11/30/2018	Hitchcock, SD Town	57	████████
Tulare Town - Fiber to the Home	5/1/2018	11/30/2018	Tulare, SD Town	108	████████
Seneca Town - Fiber to the Home	5/1/2019	11/30/2019	Seneca, SD Town	14	████████
Tolstoy Town - Fiber to the Home	5/1/2019	11/30/2019	Tolstoy, SD Town	35	████████
Onaka Town - Fiber to the Home	5/1/2019	11/30/2019	Onaka, SD Town	10	████████
Ree Heights Town - Fiber to the Home	5/1/2019	11/30/2019	Ree Heights, SD Town	35	████████
Totals					\$ ██████████

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Study Area Code 391680
 Study Area Name Venture Communications Cooperative
 Company Contact Name Janelle Jensen
 Contact Telephone Number 605-852-2224
 Contact Email Address janellej@venture.coop

Part B: 5-Year Proposed Capital Expenditures and Operating Expenses

Regulated Capital Expenditure (CapEX) Projections								
Account	Description	2014	2015	2016	2017	2018	2019	Total Projected CapEx 2015-2019
2111 & 2121	Land & Building	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2112	Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2122-2124	Support Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2210	Switching Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2232	Circuit Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2410	Cable & Wire Facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220	Materials & Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Regulated Operating Expenditure (OpEX) Projections								
Account	Operating Expenses	2014	2015	2016	2017	2018	2019	Total Operating Expenses 2015-2019
6110-6120	General Support Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6210	Switching Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6230	COE Transmission Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6410	Cable & Wire Facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6530	Non-Specific (Testing, Plant Op., Engineering)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6561-2110	General Support Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6561-2210	Switching Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6561-2230	Circuit Equip Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6561-2410	Cable & Wire Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6610-6620	Customer Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6711-6720	Corporate Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7240	Ad Valorem Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -